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VIA ELECTRONIC FILING

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W., Room TW-B204
Washington, DC 20554

Re: WC Docket No. 10-90
WT Docket No. 10-208

Madam Secretary:

In accordance with Section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, we provide you with notice of an oral ex parte presentation in connection with the above-captioned proceedings. On February 10, 2017, Grant Spellmeyer and undersigned counsel on behalf of United States Cellular Corporation ("U.S. Cellular") met with James Schlichting, Ryan Palmer, Alexander Minard, Paroma Sanyal, and Charles Eberle.

U.S. Cellular urged the Commission to avoid flash cuts in legacy support reductions, a principle set forth in the National Broadband Plan and followed by the Commission throughout transitions in its universal service reform processes for both wireline and wireless technologies.

U.S. Cellular noted that the proposal initiated by AT&T/ATNI/Buffalo-Lake Erie, submitted on January 30, 2017 and supplemented on February 9, 2017 contain detailed drive testing and application testing protocols that will be extraordinarily difficult for carriers to meet within the proposed 60-day window for a challenge process. U.S. Cellular's third-party drive testing, conducted after the release of FCC Form 477 data and submitted in October of 2016, revealed significant unserved areas in rural South Carolina where some carriers alleged to be covering with 4G LTE service. The AT&T/ATNI/Buffalo-Lake Erie proposal would require U.S. Cellular and other much smaller carriers to drive test or app-test tens of thousands of census blocks using the protocol proposed therein, a task estimated to be in the thousands of hours. It will be difficult, if not impossible, for small competitors to rebut coverage claims for multiple carriers that is overstated in rural areas. This harms rural consumers living in areas the FCC concludes to be covered, but which can never receive support needed to deliver high-quality service.

U.S. Cellular advocated for the Commission to adopt a sound policy path to reform: First, fix the Form 477 data, which is significantly flawed, a fact conceded by every FCC official we have discussed this matter with. By refining the data submission process the Commission will greatly narrow the number of areas that competitors need to address in a challenge process. Few choices would be more wasteful than committing roughly \$5 billion of support over ten years to a Mobility Fund II process based on admittedly flawed data that misdirects support to areas that don't need it, or distributes it inefficiently. Chairman Pai has repeatedly (and properly) committed to fight waste in the program. Improving Form 477 data should be the first order of business.

Second, a challenge process should be developed through a notice and comment proceeding, to allow a fulsome examination of the various app-based tools, which may significantly reduce the level of effort needed to complete a challenge, as well as alternative testing procedures that do not burden small business. What's been proposed, some 14 days ago, is a good start that deserves a thorough vetting. This can be done on a parallel track while the Form 477 process is fixed.

Third, take in new Form 477 data, release it soon thereafter, and begin the challenge and auction process. If done properly, these steps will take not much longer than is envisioned by the Commission today, and will result in a far more efficient and effective Mobility Fund Phase II for rural citizens. And, it is the kind of good government policy that the Chairman has been asking for, and delivering in the first few weeks of the new administration. The current track fails the Data Quality Act, does not provide regulated entities with appropriate notice, and places extraordinary burdens on small business.

Should you have any questions, please contact undersigned counsel directly.

Respectfully submitted,



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cc: James Schlichting
Ryan Palmer
Alexander Minard
Paroma Sanyal
Charles Eberle
Grant Spellmeyer